

amended request or a counter-request to the users at any time before the customer accepts the best price response.

29. The system according to claim 28, wherein each of the users, taking into account whether the first indication or the second indication is provided, is able to adjust or cancel a corresponding response at any time before the customer accepts the best price response.

30. The system according to claim 17, wherein each of the users, taking into account whether the first indication or the second indication is provided, is able to adjust or cancel a corresponding response at any time before the customer accepts the best price response.

REMARKS

Claims 19 to 30 have been added, and therefore claims 1 to 30 are now pending.

Applicants respectfully request reconsideration of the present application based on the following.

With respect to paragraph four (4) of the Office Action, claims 1 to 9 and 11 to 18 were rejected under 35 U.S.C. § 103(a) as unpatentable over Popolo, U.S. Patent No. 5,715,402.

While the rejections may not be agreed with, to facilitate matters, claim 1 has been rewritten to better clarify its subject matter. In particular, claim 1 as presented provides that the "request is for a price of the instrument", that the "request is for one of a bid to buy the instrument and an offer to sell the instrument", and that the "first indication is not an acceptance, and the second indication is not a rejection". It is respectfully submitted that the Popolo reference does not describe or suggest these features as recited in the context of claim

1. The subject matter of claim 1 provides the following benefits:

As each user adjusts his or her price up or down, essentially generating a new response, a new best price may be established. The system 1 will then indicate (by the first indication) to the user submitting the best price that the new response has generated the best price, and will indicate to the user which previously had generated the best price that the old price is no longer the best price. In response, any user can adjust his or her price in an attempt to achieve the best price response. At any time, the customer 50 can accept any of the pending responses. Likewise, any user may cancel a pending response up until the point that the price is accepted by the user. . . . *By blinding each*

user to the responses of other users, but for an indication of whether his or her own response has provided the best price, the system . . . is designed to encourage bidding in response to the request which will quickly and efficiently establish a market price for the instrument.

(Specification, page 8, line 24 to page 9, line 7) (emphasis added). Thus, the claimed subject matter addresses the problem of encouraging bidding to quickly and efficiently establish a market price for the instrument, which the primary reference does not.

Still further, the Office Action admits that the Popolo reference “fails to teach that the first indication indicating that the response is the best price response, and the second indication indicating that the response is not the best price response”. The Popolo reference refers to a system that “permits sellers to post detailed specification of an item for sale and permits buyers to browse or search the posted inventory to locate items filling specific needs”, and a “buyer may bid on part or all of an item posted and the seller may accept or reject any bid.” (Col. 1, lines 63 to 67). In the system of the Popolo reference, it only allows buyers to bid after a seller has posted an offer to sell. (Col. 1, lines 66 to 67). Also, as referred to in the Office Action, the reference only seems to indicate that the system only notifies a buyer when his bid has been accepted, and only notifies a failed bidder when his bid has been rejected.

It is respectfully submitted that providing notification that a bid has been accepted or rejected simply cannot provide the benefits of the subject matter of claim 1, as explained above, including the features of providing the first and second indications as recited, in which the “first indication is not an acceptance”, and the “second indication is not a rejection”.

It is therefore respectfully requested that the obviousness rejection be withdrawn as to claim 1.

Claims 2 to 15 depend from claim 1, and are therefore allowable for the same reasons as claim 1.

Each of independent claims 16, 17 and 18 as presented include features like those of claim 1, as discussed above, and it is therefore respectfully submitted that these claims are allowable for essentially the same reasons as claim 1.

As further regards the obviousness rejections, since the “problem confronted by the inventor must be considered in determining whether it would have been obvious to combine the references in order to solve the problem” (see Diversitech Corp. v. Century Steps, Inc., 850 F.2d 675, 679 (Fed. Cir. 1998)), it is respectfully submitted that there is no motivation or

suggestion to modify the primary reference so as to encourage bidding to provide the “efficient markets” benefit provided by the subject matter of the claims, as explained above.

As still further regards the obviousness rejections, to reject a claim as obvious under 35 U.S.C. § 103, the prior art must disclose or suggest each claim element and it must also provide a motivation or suggestion for combining the elements in the manner contemplated by the claim. (See Northern Telecom, Inc. v. Datapoint Corp., 908 F.2d 931, 934 (Fed. Cir. 1990), cert. denied, 111 S. Ct. 296 (1990); In re Bond, 910 F.2d 831, 834 (Fed. Cir. 1990)). The cases of In re Fine, 5 U.S.P.Q.2d 1596 (Fed. Cir. 1988), and In re Jones, 21 U.S.P.Q.2d 1941 (Fed. Cir. 1992), also make plain that a subjective “obvious to try” standard is not proper. In particular, the Court in the case of In re Fine stated that:

Instead, the Examiner relies on hindsight in reaching his obviousness determination. . . . **One cannot use hindsight reconstruction to pick and choose among isolated disclosures in the prior art to deprecate the claimed invention.**

In re Fine, 5 U.S.P.Q.2d at 1600 (citations omitted; emphasis added). Likewise, the Court in the case of In re Jones stated that:

Conspicuously missing from this record is any evidence, other than the PTO's speculation (if it be called evidence) that one of ordinary skill . . . would have been motivated to make the modifications . . . necessary to arrive at the claimed [invention].

In re Jones, 21 U.S.P.Q.2d at 1943 & 1944 (citations omitted). In short, there must be evidence of why a person having ordinary skill in the art would be motivated to combine or modify the applied references to provide the subject matter of the claims. That is simply not the case here since there has been no such showing as plainly evidenced by the foregoing discussion.

It is respectfully submitted that the present Office Action offers no evidence whatsoever, but only conclusory hindsight, reconstruction and speculation, which these cases have indicated does not constitute evidence that will support a proper obviousness finding. Unsupported assertions are not evidence as to why a person having ordinary skill in the art would be motivated to modify a reference to provide the claimed subject matter of the rejected claims. Accordingly, it is respectfully submitted that there is no evidence, except subjective speculation, for combining or modifying the references relied upon to provide the features and benefits of any of the rejected claims.

More recently, the Federal Circuit in the case of In re Kotzab has made plain that even

if a claim concerns a “technologically simple concept” -- which is not the case here, there still must be some finding as to the “specific understanding or principle within the knowledge of a skilled artisan” that would motivate a person having *no* knowledge of the claimed subject matter to “make the combination in the manner claimed”, stating that:

In this case, the Examiner and the Board fell into the hindsight trap. The idea of a single sensor controlling multiple valves, as opposed to multiple sensors controlling multiple valves, is a technologically simple concept. *With this simple concept in mind, the Patent and Trademark Office found prior art statements that in the abstract appeared to suggest the claimed limitation. But, there was no finding as to the specific understanding or principle within the knowledge of a skilled artisan that would have motivated one with no knowledge of Kotzab's invention to make the combination in the manner claimed.* In light of our holding of the absence of a motivation to combine the teachings in Evans, we conclude that the Board did not make out a proper *prima facie* case of obviousness in rejecting [the] claims . . . under 35 U.S.C. Section 103(a) over Evans.

(See *In re Kotzab*, 55 U.S.P.Q.2d 1313, 1318 (Fed. Cir. 2000) (italics added)). Here again, it is believed that there have been no findings that would sustain the obviousness rejection.

More importantly, and as further regards the remaining obviousness rejections, it is respectfully submitted that the Office Actions to date have not provided even a *prima facie* obviousness case, since they never included any findings, such as, for example, regarding in any way whatsoever what a person having ordinary skill in the art would have been at the time the claimed subject matter of the present application was made. (See *In re Rouffet*, 47 U.S.P.Q.2d 1453, 1455 (Fed. Cir. 1998) (the “factual predicates underlying” a *prima facie* “obviousness determination include the scope and content of the prior art, the differences between the prior art and the claimed invention, and the level of ordinary skill in the art”); and see *In re Kotzab*, 55 U.S.P.Q. 2d 1313, 1317 (Fed. Cir. 2000) (citing *In re Dembiczak*, 50 U.S.P.Q.2d 1614, 1618 (Fed. Cir. 1999) (obviousness rejections reversed where no findings were made “concerning the identification of the relevant art”, the “level of ordinary skill in the art” or “the nature of the problem to be solved”))).

It is therefore respectfully submitted that the present lack of any of the required factual findings forces Applicants to resort to unwarranted speculation to ascertain exactly what facts underly the present rejections. This is because the required factual findings with respect to the differences between the claimed subject matter and the prior art, and what the prior art teaches, are believed to be and are respectfully submitted to be deficient as a matter of law.

The law mandates that the allocation of the proof burdens requires that the Patent Office provide the factual basis for rejecting a patent application under 35 U.S.C. § 103. (*See In re Piasecki*, 745 F.2d 1468, 1472, 223 U.S.P.Q. 785, 788 (Fed. Cir. 1984) (citing *In re Warner*, 379 F.2d 1011, 1016, 154 U.S.P.Q. 173, 177 (C.C.P.A. 1967))). In short, the Office bears the initial burden of presenting a prima facie unpatentability case -- which has not been done in the present case. (*See In re Oetiker*, 977 F.2d 1443, 1445, 24, U.S.P.Q.2d 1443, 1444 (Fed. Cir. 1992)).

For at least the reasons discussed above, withdrawal of the obviousness rejections with respect to claims 1 to 9 and 11 to 18 is respectfully requested.

With respect to paragraph five (5), claim 10 was rejected under 35 U.S.C. § 103(a) as unpatentable over the Popolo reference in view of Kalmus et al., U.S. Patent No. 4,674,044.

Claim 10 depends from claim 1, and is therefore allowable for the same reasons as claim 1, since the secondary Kalmus reference simply does not cure the critical deficiencies of the primary Popolo reference. It is therefore respectfully submitted that claim 10 is allowable.

New dependent claims 19 to 30 do not include any new subject matter and are supported in the specification. Claims 19 to 21 depend from claim 18, and are therefore allowable for at least the same reasons as claim 18. Claims 22 to 24 depend from claim 1, and are therefore allowable for at least the same reasons as claim 1. Claims 25 to 27 depend from claim 16, and are therefore allowable for at least the same reasons as claim 16. Claims 28 to 30 depend from claim 17, and are therefore allowable for at least the same reasons as claim 17.

In summary, it is respectfully submitted that all of claims 1 to 30 are allowable for the foregoing reasons.

CONCLUSION

In view of all of the above, it is believed that the rejections have been obviated, and that claims 1 to 30 are allowable. It is therefore respectfully requested that the rejections be withdrawn, and that the present application issue as early as possible.

Dated: _____

4/14/2003

Respectfully submitted,

By: _____

Aaron C. Deditch
(Reg. No. 33,865)

KENYON & KENYON
One Broadway
New York, New York 10004
(212) 425-7200

CUSTOMER NO. 26646

568280

AMENDMENT VERSION WITH MARKINGSIN THE CLAIMS:

Without prejudice, please add new claims 19 to 30 as indicated above, and please amend the claims as follows:

1. (Amended) A method for trading an instrument, comprising the steps of:

providing a request for a price of the instrument from a customer to a plurality of users via a communication network, the request including request data concerning the instrument;

receiving at least one response to the request from the plurality of users, the at least one response including price data;

providing the at least one response to the customer via the communication network;

determining a best price response to the request as a function of the at least one

response;

providing a first indication to the user who provided the best price response; and

providing a second indication to the users who did not provide the best price response,

the first and second indications being different from one another;

wherein the request is for one of a bid to buy the instrument and an offer to sell the instrument, and

wherein the first indication is not an acceptance, and the second indication is not a rejection.

16. (Amended) A system for trading an instrument, comprising[;]:

a communication network;

a first computer for transmitting a request for a price of the instrument from a customer via the communication network, the request including request data; and

at least one second computer for receiving the request via the communication network, the at least one second computer transmitting at least one response to the request from at least one user to the first computer via the communication network,

wherein the first computer determines a best price response to the request as a function of the at least one response, the first computer transmitting a first indication to the

AMENDMENT VERSION WITH MARKINGS

user who provided the best price response, the first computer transmitting a second indication to the users who did not provide the best price response, the first and second indications being different from one another, and the request is for one of a bid to buy the instrument and an offer to sell the instrument, and

wherein the first indication is not an acceptance, and the second indication is not a rejection.

17. (Amended) A system for trading an instrument, comprising[:];

a first computer;

a second computer for transmitting a request for a price of the instrument from a customer to the first computer, the request including request data; and

at least one third computer for receiving the request via the first computer, the at least one third computer transmitting to the first computer at least one response to the request from at least one user,

wherein the first computer determines a best price response to the request as a function of the at least one response, the first computer transmitting a first indication to the user who provided the best price response, the first computer transmitting a second indication to the users who did not provide the best price response, the first and second indications being different from one another, and the request is for one of a bid to buy the instrument and an offer to sell the instrument, and

wherein the first indication is not an acceptance, and the second indication is not a rejection.

18. (Amended) A computer-readable storage medium storing a set of instructions, the set of instructions capable of being executed by a processor to provide for trading of an instrument, the set of instructions performing the steps of:

providing a request for a price of the instrument from a customer to a plurality of users via a communication network, the request including request data concerning the instrument;

receiving at least one response to the request from the plurality of users, the at least

AMENDMENT VERSION WITH MARKINGS

one response including price data;

providing the at least one response to the customer via the communication network;

determining a best price response to the request as a function of the at least one response;

providing a first indication to the user who provided the best price response; and

providing a second indication to the users who did not provide the best price response, the first and second indications being different from one another;

wherein the request is for one of a bid to buy the instrument and an offer to sell the instrument, and

wherein the first indication is not an acceptance, and the second indication is not a rejection.